



## STATE OF CALIFORNIA

BUSINESS, TRANSPORTATION AND HOUSING AGENCY  
**DEPARTMENT OF CORPORATIONS**  
California's Investment and Financing Authority

### NEWS RELEASE

**04-44**

**Arnold Schwarzenegger, Governor**

**William P. Wood, Commissioner**

FOR IMMEDIATE RELEASE  
Tuesday, November 9, 2004

Contact: Debbie O'Donoghue  
(916) 324-9011

### **California Department of Corporations Announces Investors Receive Restitution in Swindle Involving Body Scans**

**SACRAMENTO** --- The California Department of Corporations announced today that more than 200 investors located in California and other states will receive restitution from ScanTech Imaging, Inc. of Huntington Beach, California.

ScanTech Imaging, Inc., attorney Devin Grant Rockefeller and Jason Williamson were ordered on November 3, 2003, by the Orange County Superior Court to pay restitution in the amount of \$2.76 million paid over a period of five years. The three missed their first payment but the Department's outside collection agency contractors obtained some funds from the defendants. Investors will receive \$160,265.23, which is being disbursed today.

"These defendants ruthlessly deceived investors," said Corporations Commissioner William P. Wood. "They lured them with promises of huge gains with false returns. The Department will continue to do everything in our power to get full restitution for these investors."

Beginning in May 2001 and continuing through at least December 2001, ScanTech Imaging, Inc. offered and sold securities in a medical imaging center in Southern California. The center was expected to be a "state of the art" outpatient clinic that offered the Imatron Ultrafast Electronic Beam Tomography ("EBT") machine to provide coronary artery scans and full-body scans to "health conscious Americans."

ScanTech Imaging, Inc. contracted with unlicensed broker-dealers and sales agents who solicited prospective investors by means of cold calls and used boiler-room sales tactics to pressure members of the public to invest in the unqualified, non-exempt securities.

Investors were promised annual returns ranging from 40 percent to 70 percent; with a 10-year projected return of 916 percent touting the hyped success of other similar centers by representing that these centers had long waiting lists for scans. In addition, investors were told that approximately 60 percent to 70 percent of the funds raised by ScanTech Imaging, Inc. would be applied to intended operations of the center. The remaining 30 percent to 40 percent of the money ScanTech Imaging, Inc. raised would be used for marketing, commissions and other front costs, when in truth at least 80 percent of investment funds were used in this manner.

-more-

ScanTech Imaging, Inc. represented that the center would be opened sometime during the last quarter of 2001 or early in the second quarter of 2002. The center never opened and the Department discovered that ScanTech Imaging, Inc. had not made any disbursements of the \$1.32 million in investor funds for expenditures of the EBT machine or to secure a site for the center.

The Department of Corporations is California's Investment and Financing Authority, reporting to the Business, Transportation and Housing Agency and the Governor. The Department is responsible for the regulation, enforcement and licensing of securities, franchises, off-exchange commodities, investment and financial services, independent escrows, consumer and commercial finance lending and residential mortgage lending. For further information or to obtain a complaint form, see the Department's Web site at [www.corp.ca.gov](http://www.corp.ca.gov) or call 1-866-ASK-CORP (1-866-275-2677).